Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of:	
Rural Broadband Strategy	GN Docket No. 09-29

COMMENTS OF THE RURAL IOWA INDEPENDENT TELEPHONE ASSOCIATION

In a March 10, 2009 order, the Commission sought comment on rural broadband strategy under the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) and the American Recovery and Reinvestment Act of 2009 (Recovery Act). The Commission sought comments in connection with developing a national broadband policy and to focus on "rural and hard-to-serve areas."

In an order dated March 24, the Commission sought comment on the following related questions:

- 1. the definition of "unserved area,"
- the definition of "underserved area,"
- the definition of "broadband,"
- the non-discrimination obligations that will be contractual conditions of BTOP grants.
- the network interconnection obligations that will be contractual conditions of BTOP grants

RIITA welcomes the opportunity to comment on these topics because its members have a demonstrated interest and history in providing quality telecommunications services in rural lowa. RIITA is a non-profit association of rural independent telephone companies, representing approximately one hundred and thirty lowa incumbent local exchange

carriers. RIITA's membership is limited to companies that serve fewer than 20,000 access lines. In reality, most members actually serve far fewer than 15,000 access lines and the average number of access lines served by RIITA members is approximately 1000 lines. All members serve high-cost rural exchanges.

RIITA agrees with the Commission's statements on page one of the commission's March 10 order:

Broadband services have great potential to bring opportunity to the citizens of rural America. They improve the educational opportunities of children and adults everywhere, allowing children in rural areas across the country to access the same information as schoolchildren in urban areas. Telemedicine networks made possible by broadband services save lives and improve the standard of healthcare in sparsely populated, rural areas. For businesses in rural areas, access to broadband services is just as critical. These services are creating new jobs, while enabling skilled employees to work more effectively in their current jobs. At the same time, the Commission and the Department of Agriculture have recognized that <u>rural consumers are doubly vulnerable</u>: that is, although they are most in need of access to advanced telecommunications adaptability to overcome economic, educational and other limitations, they are also the most likely to lack access precisely because of these limitations.

(Emphasis added.)

RIITA notes that despite the limitations in many areas, customers served by rural community-based telecommunications providers receive broadband services at a high rate. The primary concern in providing broadband to rural communities must be (1) getting service to the highest cost of the high-cost customers and (2) providing both the technology and funding to maintain service and continue to upgrade that service to meet ever-increasing demands for bandwidth. In achieving these goals, it will be critical to take into consideration that our member companies—like the independent community providers in

other rural states—are small companies meeting costly needs with a limited number of employees and limited resources.

Specific Questions in March 24 Order.

UNSERVED AREA

RIITA's member companies have done an excellent job of providing first-generation broadband services in their communities. However, the needs of rural communities are changing and the provision of broadband must change to meet those needs as noted in the Commission's March 10 order. The BTOP grant program will provide an excellent opportunity to assist in rolling out the next generation broadband services needed by these communities. For purposes of the BTOP grants, RIITA believes that customers should have access to 1.5 megabits per second during peak-hour load. Without capacity in this range, the demanded video communications services cannot be reliably and consistently provided. RIITA believes that this should be the definition of broadband in the near-term for the program. As a result, any customer who does not have access to service at this speed is unserved by broadband.

UNDERSERVED AREA

RIITA believes that access to Internet by dial up and with speeds below 1.5 mbs are unserved by the needed next generation of broadband. As a result, underserved areas should be determined by the percentage of customers with access to 1.5 mbs, rather than by the speed of access available to the unserved customers.

DEFINITION OF BROADBAND

As noted above, the definition of broadband for purposes of the BTOP grant programs should be 1.5 mbs access to the Internet or faster.

4. NON-DISCRIMINATION OBLIGATIONS

In order to recognize the importance of providing broadband in rural communities and to ensure provision of service, any recipient of BTOP grants or loans under the broadband stimulus bills should provide—and be ready to provide—service to any customer within a designated service area on a common-carrier basis.

NETWORK INTERCONNECTION OBLIGATIONS

Provision of broadband to rural communities is extremely expensive. Interconnection obligations should be based on compensation to the interconnecting carrier on a cost plus rate of return basis.

Additional Recommendations. Grants and loans should focus on small existing community providers because of their experience in providing rural broadband service, the existence of quality plant to use as a base to provide service and the speed with which our member companies could complete their networks with funding. In addition, community-based providers have proven records of providing education and training to customers along with personal support services unmatched by any other sector of the telecommunications industry. If funding were provided to complete these rural networks, community-based providers would be in a position to upgrade to next generation services more quickly than other providers.

Conclusion. RIITA's members have a long history of providing modern communications services to their customers. They have the infrastructure necessary to

quickly provide service to remaining high-cost customers if funding is provided. Grants to serve these customers would be returned to the community because the investment in these companies' networks would also create a solid base for next generation broadband. RIITA urges the Commission to develop an implementation plan that takes advantage of the existing networks, but is simple and manageable enough for small companies to participate.

Respectfully Submitted,

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